

Capital Asset Realignment for Enhanced Services (CARES)

Business Plan Studies for West Los Angeles VAMC

Presentation for Local Advisory Panel
September 22, 2005



This report was produced under the scope of work and related terms and conditions set forth in Contract Number V776P-0515. PricewaterhouseCoopers' work was performed in accordance with Standards for Consulting Services established by the American Institute of Certified Public Accountants (AICPA). PricewaterhouseCoopers' work did not constitute an audit conducted in accordance with generally accepted auditing standards, an examination of internal controls or other attestation service in accordance with standards established by the AICPA. Accordingly, we do not express an opinion or any other form of assurance on the financial statements of the Department of Veterans Affairs (VA) or any financial or other information or on internal controls of the VA.

The VA has also contracted with other government contractors, MicroTech, LLC, to develop re-use options for inclusion in this study. MicroTech, LLC issued its report, Technical, Financial and Legal Assistance and Support for Property Reuse/Redevelopment Plans, Phase 1 Report, Data Collection and Planning Analysis, VA Medical Center, West Los Angeles, and as directed by the VA, PricewaterhouseCoopers LLP has included information from its report in the following sections in this report: Real Estate Market and Demographic Overview, Environment, Re-Use Options and Development and specific Re-Use options. PricewaterhouseCoopers LLP was not engaged to review and therefore makes no representation regarding the sufficiency of nor takes any responsibility for any of the information reported within this study by MicroTech, LLC.

This report was written solely for the purpose set forth in Contract Number V776P-0515 and therefore should not be relied upon by any unintended party who may eventually receive this report.

Recap of First LAP Meeting



First Public Meeting Recap

- The Secretary's CARES Decision Document, May 2004, calls for additional studies to expand on the previous analyses for eighteen sites including the West Los Angeles VAMC
- Study Objective:

Identify the optimal approach to provide veterans with healthcare equal or better than is currently provided in terms of:

Access

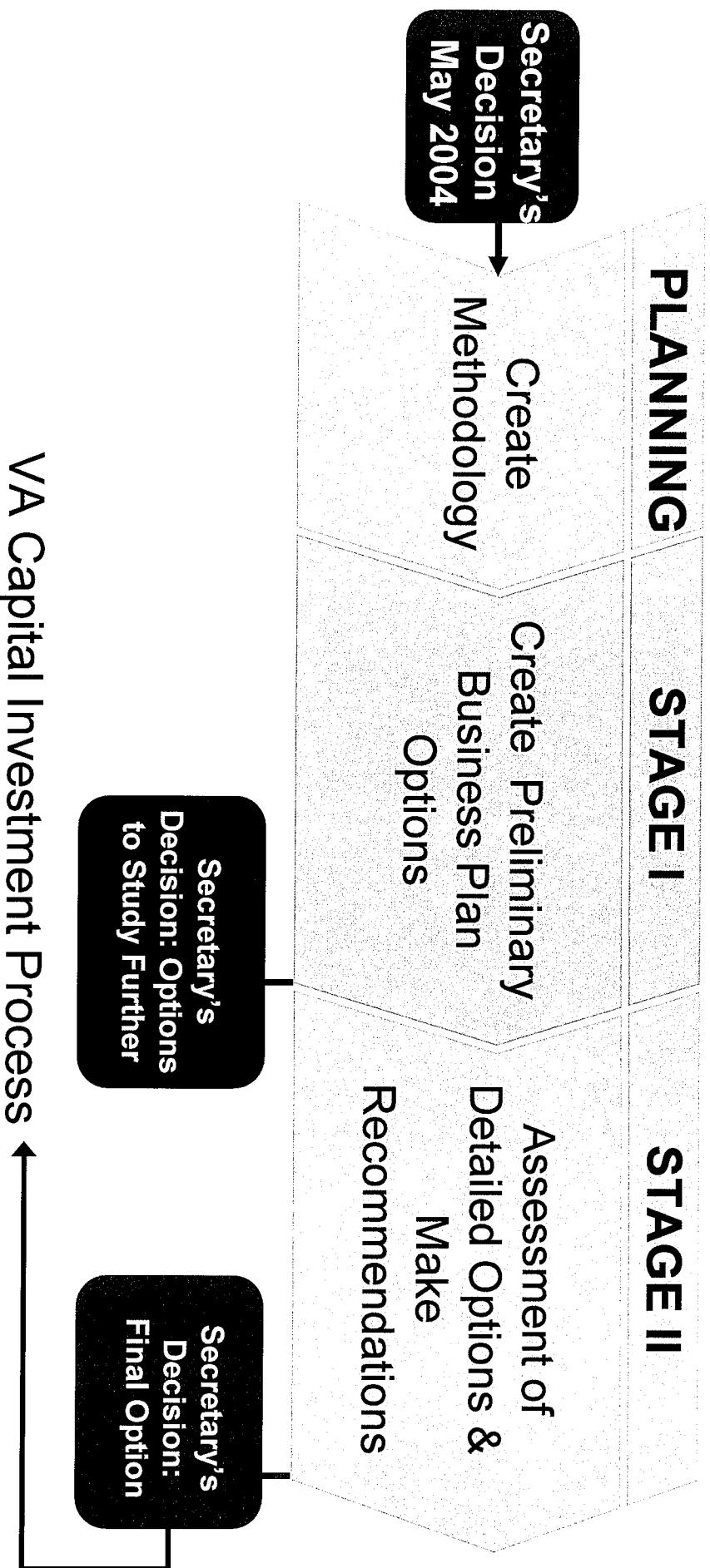
Quality

Cost Effectiveness

Project Overview

Public Meetings & Congressional Briefings

1 st	2 nd	3 rd	4 th
April/May	Aug/Sept	TBD	TBD



2004 Secretary's Decision for West LA

- Spread across 387 acres in an urban neighborhood, the West LA campus is a unique resource and it is important that VA preserve the integrity of the land originally granted for use as an Old Soldiers home. VA is committed to maintaining the property for uses that serve to enhance the Department's mission.
- To ensure that VA has a clear framework for managing the vacant and underused property at the West LA campus, VA will develop a Master Plan for the campus in collaboration with stakeholders who will have input into the plan's development.
- VA will maintain the Long Beach and West LA campuses as separate tertiary care facilities, but will continue to consolidate administrative and clinical services.

2004 Secretary's Decision for West LA – cont.

- VA will meet increased demand for inpatient care through new construction, by converting and renovating existing space, and by using existing authorities and policies to contract for care where necessary.
- VA will explore opportunities to develop new research facilities at the West LA campus that are consistent with its patient care mission.
- VA will meet anticipated gaps in outpatient care through new construction for additional space, shifting workload between facilities, expansion of services, and use of existing authorities and policies to provide contract care where necessary. VA will consider addition of new CBOC through the National CBOC Approval Process.

2004 Secretary's Decision for West LA – cont.

- VA will develop a nursing home strategic plan based on well-articulated policies. Until VA completes a nursing home strategic plan, it will only proceed with maintenance and life safety projects at existing nursing home facilities that are necessary to ensure the quality and safety of patient care.
- As part of the implementation process, VA will validate the number of SCI/D beds to ensure the appropriate need for distribution between acute and nursing-home beds. Validation also will consider referral patterns as well as location and inter-VISN collaboration as appropriate. Implementation plans for SCI services at the Long Beach VAMC will be included in the FY 2005 VISN strategic planning submission.

2004 Secretary's Decision for West LA – cont.

- VA will improve patient and employee safety by correcting seismic and life safety deficiencies at the West LA facility.
- VA will explore the feasibility of collocating the Veteran Benefit Administration (VBA) Regional Office at the West LA VAMC. This collaboration will not only improve access to services, but will redirect savings from rental costs into claims processing, vocational rehabilitation and employment, education, loan guaranty, and other VBA priorities.
- VA will collocate a National Cemetery Association (NCA) columbarium on 20 acres of available land at the West LA campus and pursue additional opportunities for expanding the NCA presence on the West LA campus.

What's Being Studied at West LA

■ Capital Planning

Identify the best use of buildings and facilities to provide needed healthcare services in a modern, safe and secure setting

■ Re-Use/Redevelopment

Identify options that maximize the potential re-use of all or some of the current VA property, if that property is not needed for VA or VA-related services

Clarifications since May LAP Meeting

Clarification has been provided on two key areas, providing better guidance to the contractor in developing Business Plan Options:

Clarification of Re-Use/Redevelopment of the Campus

- The contractor was directed by the VA to proceed with a recommended definition of 'commercial' for purposes of redevelopment/re-use planning at West LA
- The term 'commercial' **prohibits the use of the campus** for such functions as shopping malls, movie theaters, convenience stores, fast food outlets, industrial/manufacturing activities and other like operations.
- **On the other hand**, institutional and office uses that support or complement needs of veterans (e.g., assisted living, transitional housing, recreation, research or educational as well as medical and non-medical functions) would be acceptable uses.
- Correspondingly, the contractor will proceed with the CARES and re-use activities using this clarified definition of commercial use.

Clarifications since May LAP Meeting – cont.

California State VA Nursing Home

- Conflict existed between the CARES Business Plan Study uniform reuse strategy and California's Greater Los Angeles State Veterans Home (GLASVH) project.
- California Department of Veterans Affairs officials raised concern that this strategy placed the GLASVH project in jeopardy. CARES staff tried to mitigate this concern by assuring them that the existing GLASVH commitment would be honored, yet could not assure it would be at the specific site currently agreed to.
- VA officials had agreed that a specific 12 acre site was available for California to construct a State Veterans Home (SVH). If the site changed, a \$4M design and environmental assessment would have to be redone requiring additional public funding. Also, delays caused by site changes will result in the delay of other proposed California SVHs.
- As a result, the Chief of Staff/Deputy Secretary of Veterans Affairs approved this exception to set aside the existing GLASVH site location (Parcel D).

Purpose of the LAP Meeting

- Review the options prepared by the contractor for the future use of this medical center.
- Present the options that the contractor believes will maintain or improve veterans' access to quality health care in a cost effective manner.
- Members of the LAP will ask questions so that each option is clear. Members of the public may also ask questions about the options.
- The LAP may add options not presented by the contractor.
- The LAP will recommend to the Secretary which options it believes should be studied further, but the Secretary is not required to adhere to this recommendation.